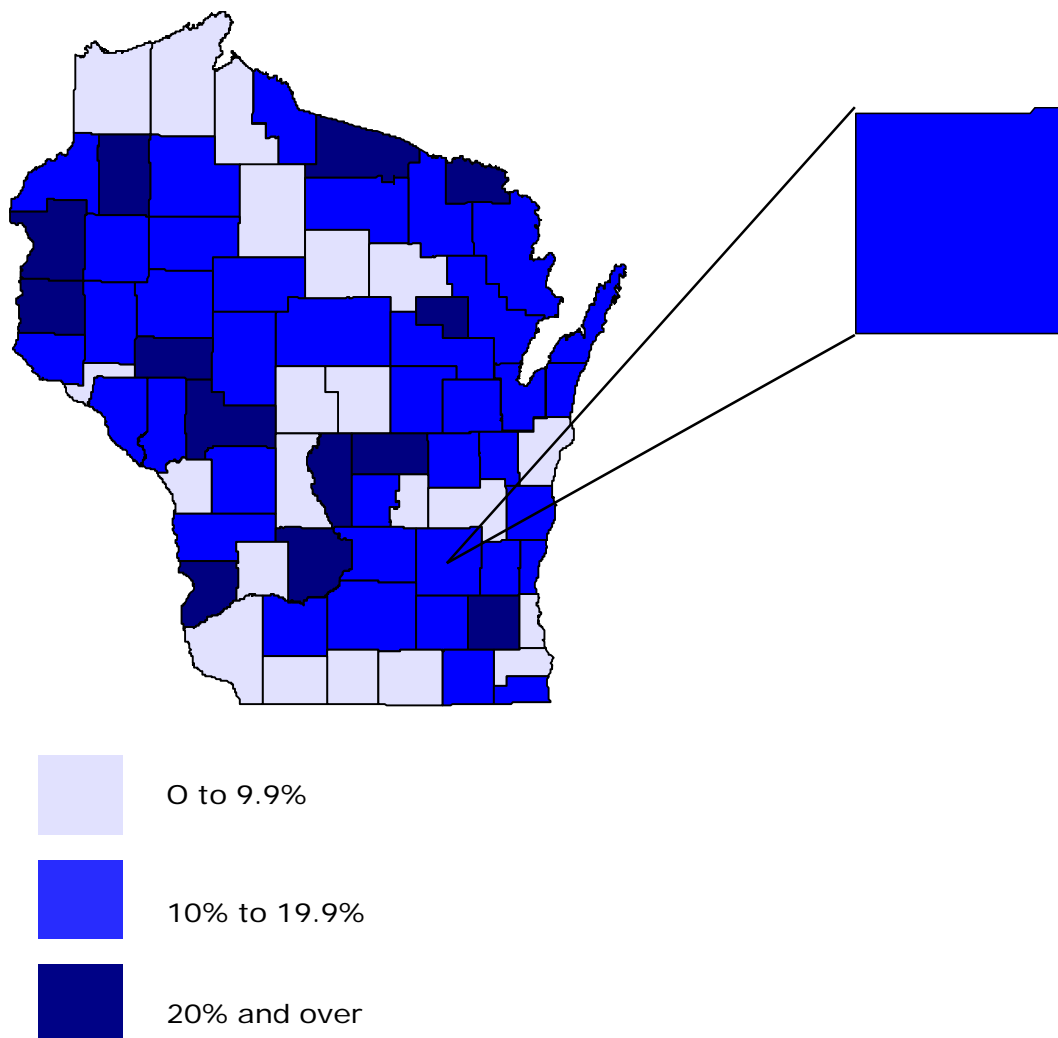


Dodge County Workforce Profile

Job Growth 1994 to 1999



Wisconsin Department of Workforce Development
Division of Workforce Solutions
Bureau of Workforce Information
October 2001



State of Wisconsin
Department of Workforce Development

Introduction

The County Workforce Profile has been developed by the Wisconsin Department of Workforce Development's (DWD) Bureau of Workforce Information (BWI) to provide a broad overview of Dodge County's labor market. The data included in this fourth year of publication is for 1999 to maintain consistency with the previous publications and to provide the user with a single year of reference in order to draw comparisons and form a picture of related labor force and employment information.

A variety of economic and demographic labor market information have been provided to describe the current labor market conditions in the counties and regions of Wisconsin. That information includes 1999 data on population, labor force, industries, employment, wages and income. The narrative describes how local conditions have changed over one-year and five-year intervals. Although population information is available from the 2000 census, it is not included in this publication since the period of time selected for all data sets is 1999. For more recent releases of information please consult the Wisconsin Department of Workforce Development Labor Market Information website: <http://www.dwd.state.wi.us/lmi>.

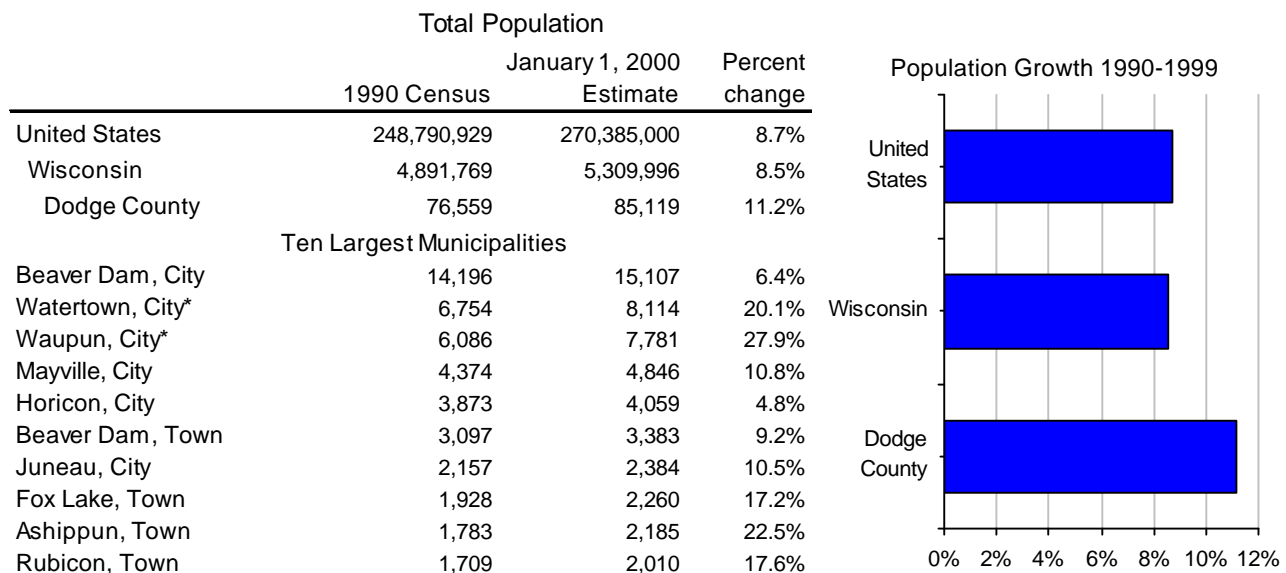
For more detailed information or clarification, please contact your local labor market analyst,
Dan Barroilhet, by telephone (608-242-4885) or email (barroda@dwd.state.wi.us).

DWD is an equal opportunity service provider. If you need assistance to access services or material in an alternate format, please contact the analyst listed above.

Dodge County Population and Civilian Labor Force

On January 1, 2000, the Wisconsin Department of Administration released estimates of the 1999 population. According to these estimates, Dodge County grew by nearly 8,600 people or almost 11.2 percent between 1990 and 1999. Among Wisconsin's 72 counties, Dodge County's numerical growth and proportional growth rate were both among the 20 highest. Net migration (migration into the county minus migration out of the county) accounted for 81 percent of the population growth (over 6,900 people). Natural increase (births minus deaths), contributed over 1,600 people, or 19 percent of Dodge County's total population growth.

Dodge County's ten most populous municipalities are listed below. Together, they made up roughly 61 percent of the County's population and accounted for about 72 percent of the County's population growth. Highway 33 takes workers and travelers to Beaver Dam, Fox Lake and Horicon, which together account for 30 percent of the County's population and 20 percent of its population growth. Highway 151 takes them to Beaver Dam and Waupun (31 percent of population and 34 percent of population growth) and Highway 26 takes them to Watertown, Waupun and Juneau (21.5 percent of population and 38 percent of population growth).



Source: WI Dept. of Admin., Demographic Services Center, *Official Population Estimates*, January 1, 2000

The first step toward understanding labor force participation rates may be to define who is not in the labor force. People who do not seek work, such as students, homemakers, retirees and discouraged workers are “not in the labor force”. People who are ineligible for employment are not counted as “not working” and are not counted as “not in the labor force”; they are excluded altogether from the discussion. Reasons for ineligibility include incarceration, institutionalization, active military service or insufficient age (under 16). The term “unemployed” (or “not working”) refers only to bona fide job seekers who are not working.

The participation rate is the share of the employment-eligible population that works or looks for work. On average, in 1999, roughly 78.3 percent of Dodge County’s employment-eligible residents worked or sought work, and about 21.8 percent were “not in the labor force”. This was well above the 1999 statewide average participation rate of 72.3 percent and it represents a decline from the Dodge County’s participation rates of

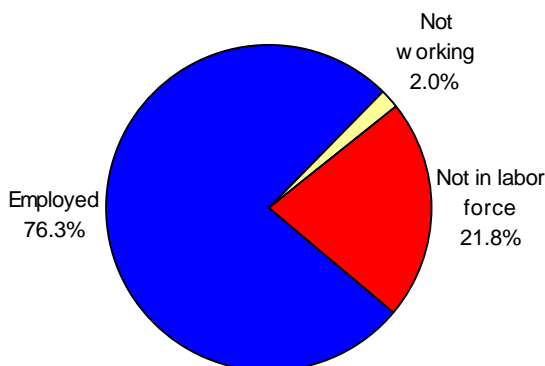
79.8 percent in 1998 and 80.2 percent in 1997. Several factors influence participation rates. Real wage increases can lure workers into the labor force. Workers seeing low and falling unemployment rates may be less likely to abandon a job search and slide out of the labor force. Retirement trends and stay-at-home parenting trends rely on economic resources, social attitudes and age demographics.

Dodge County’s average labor force grew 3.8 percent in 1996, 0.7 percent in 1997 and 0.5 percent in 1998. It shrank 1.8 percent in 1999. The fall in participation rates and labor force levels seems likely to continue as the baby boom generation (whose members were 35 to 53 years old in 1999) approaches retirement.

The table below shows that the total population and population growth were distributed unevenly among different age groups. Dodge County gained 8,560 people from 1990 to 1999, for an overall gain of about 11.2 percent. Over the same period, the 40- to 54-

year-old group grew by 48 percent by gaining 6,037 people. This increase represented nearly 71 percent of the County’s total population increase. The 15-and-under group was slightly larger, but much it grew more slowly (5.8 percent) and accounted for less than 13 percent of the total population growth. Typically, employers would look to the 25- to 39-year old group to fill gaps left by retirements in the medium term, but this group actually shrank by roughly 350 people or about 1.8 percent. Considering that the next ones in line, the 16- to 24-year-olds is often “not in the labor force” because of school, Dodge County employers may face increased recruiting challenges in years to come.

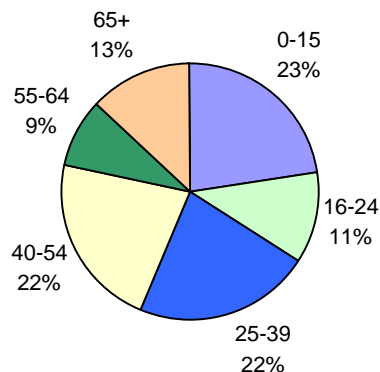
1999 Labor Force Participation



Source: Estimated from WI Dept of Administration population estimates, Jan 2000, US Census Bureau, and Local Area Unemployment Statistics

Dodge County Labor Force Age Population Distribution

Age Group	Population		Percent change
	1990 Census	1999 Estimate	
0-15	18,431	19,501	5.8%
16-24	8,520	9,635	13.1%
25-39	19,070	18,719	-1.8%
40-54	12,692	18,729	47.6%
55-64	6,505	7,520	15.6%
65+	11,341	11,015	-2.9%



Source: Estimated from WI Dept of Admin, Demographic Services Center, Official Population Projections 1990-2020 and US Census Bureau

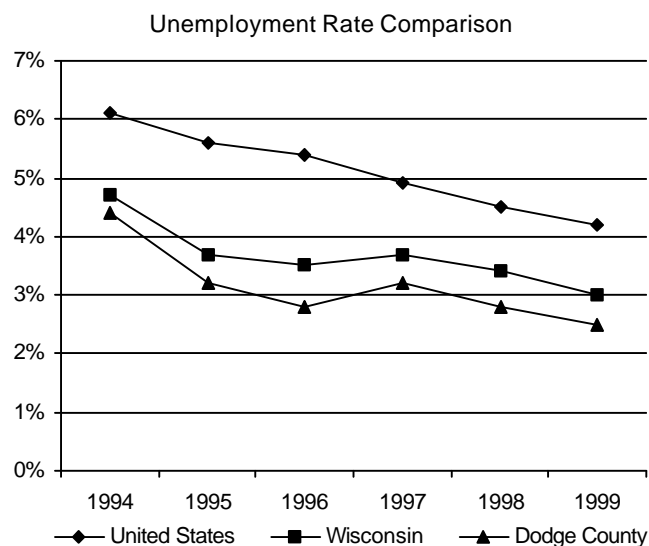
Dodge County Civilian Labor Force Data

	1994	1995	1996	1997	1998	1999
Labor Force	45,100	45,700	47,400	47,700	48,000	47,100
Employed	43,200	44,200	46,100	46,200	46,600	45,900
Unemployed	1,960	1,460	1,350	1,530	1,350	1,180
Unemployment Rate	4.4%	3.2%	2.8%	3.2%	2.8%	2.5%

Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

From 1994 to 1999, Dodge County's average annual unemployment rate fell from 4.4 percent to 2.5 percent, remaining below the state-wide average as well as the national average. Factors contributing to the decline of the unemployment rate included an increase in the proportion of people "not in the labor force" (discussed on page 2), and an increase of nearly 2,800 employed people. The number of employed persons grew 2.5 percent in 1995, 4.1 percent in 1996, 0.3 percent in 1997 and 0.9 percent in 1998. It shrank 1.5 percent in 1999. From 1994 to 1999, Dodge County employers reported an increase of nearly 4,900 jobs (see page 4).

This divergence reflects differences between workers and jobs. The labor force figures on pages 2 and 3 estimate the situations of Dodge County residents, while the payroll job figures on page 4 are derived from surveys of employers. Three factors can contribute to the gap between the data sets: 1) They are derived from separate surveys with unrelated samples and different methodologies. 2) One resident can hold more than one job, but cannot be counted as "employed" more than once. Hence, growth in multiple job holding can increase the number of jobs faster than the number of employed persons. 3) People residing outside the County never count toward the County's labor force figures, but can commute



Source: WIDWD, Bureau of Workforce Information, Local Area Unemployment Statistics

to work for Dodge County employers. Hence, increases in inbound commuting (or declines in outbound commuting) could allow employers to increase the number of jobs although local residents are not taking those jobs.

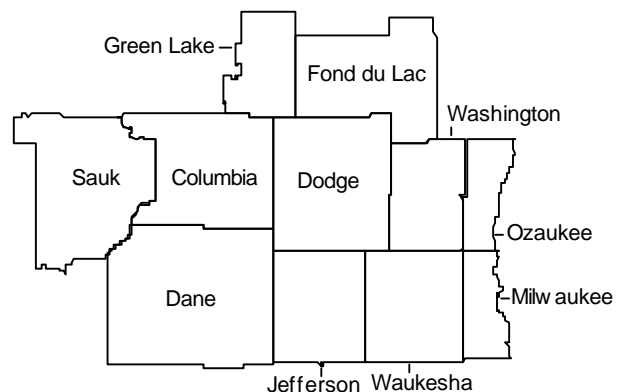
Commuting data below suggest that the first and second factors are more important in Dodge County than the third. These estimates were based on 1990 census data. Updated estimates based on the 2000 census will not be available before 2003. Although numbers will change, general patterns of movement are expected to continue because underlying incentives to commute remain.

Dodge County Commuting Patterns

	Commute Into	Commute From	Net Commute
Columbia County	759	788	29
Dane County	580	219	-361
Fond du Lac County	831	3,911	3,080
Green Lake County	55	271	216
Jefferson County	3,455	1,213	-2,242
Ozaukee County	101	234	133
Washington County	2,140	785	-1,355
Waukesha County	1,619	784	-835
Milwaukee County	750	317	-433
Elsewhere	560	43	-517
Total	10,850	8,565	-2,285

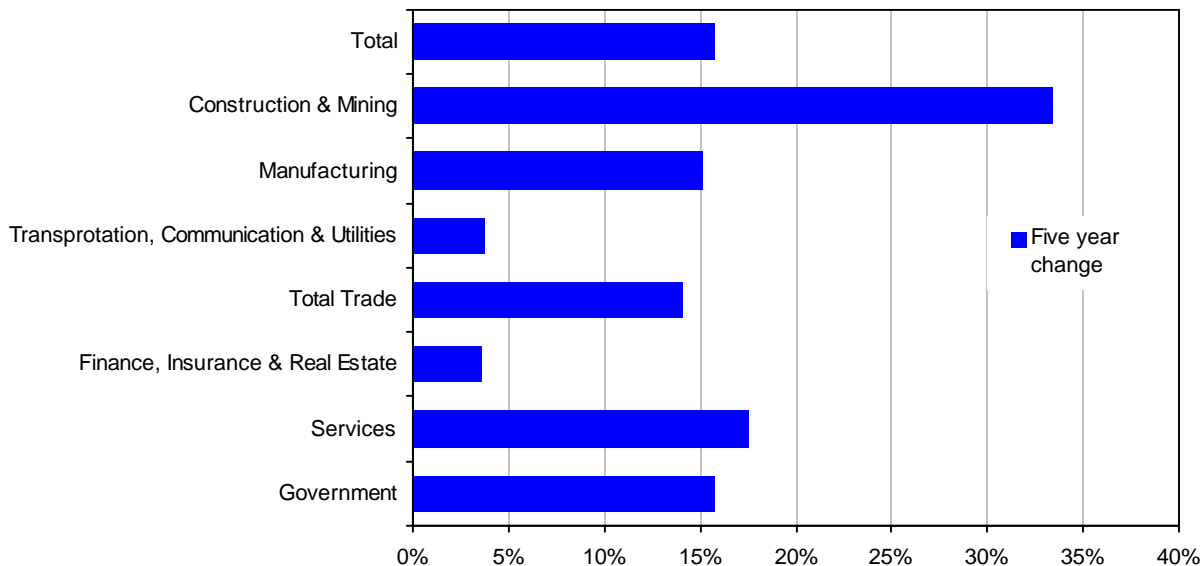
Work within Dodge County 24,941

Source: WIDWD, Bureau of Workforce Information. *Wisconsin's Commuting Patterns*, 1994.



Of Dodge County's commuting counterparts, Jefferson County stands out in terms of sending workers to Dodge County and offering jobs to Dodge County residents. Both counties have developed strong manufacturing industries and manufacturing workforces, so it would make sense for them to exchange workers. Also contributing significantly to commuting figures are border towns, such as two of the County's ten largest municipalities. Of the City of Wapun's 10,986 residents, 29 percent lived in Fond du Lac County; and 62 percent of the City of Watertown's 21,420 residents lived in Jefferson County. Ashippun, Fox Lake and Rubicon are also near at least one county border each. The network of roads discussed on page one serves to take workers from one County to another just as much as it helps them travel within Dodge County.

Dodge County Employment Change by Industry 1994 to 1999



	1994	1995	1996	1997	1998	1999	Percent change	
Total	30,925	31,889	32,819	33,539	34,649	35,796	3.3%	15.7%
Goods Producing	13,427	13,911	14,181	14,329	14,969	15,750	5.2%	17.3%
Construction & Mining	1,608	1,671	1,793	1,901	1,995	2,145	7.5%	33.4%
Manufacturing	11,819	12,241	12,388	12,428	12,975	13,605	4.9%	15.1%
Durable	6,905	7,287	7,398	7,426	7,658	8,294	8.3%	20.1%
Nondurable	4,914	4,954	4,990	5,003	5,317	5,312	-0.1%	8.1%
Service Producing	17,498	17,978	18,638	19,210	19,680	20,045	1.9%	14.6%
Transportation, Communications & Utilities	1,164	1,123	1,106	1,120	1,142	1,208	5.8%	3.7%
Total Trade	5,205	5,449	5,610	5,768	5,822	5,937	2.0%	14.1%
Wholesale	1,071	1,157	1,165	1,177	1,213	1,144	-5.7%	6.8%
Retail	4,134	4,292	4,445	4,592	4,609	4,793	4.0%	15.9%
Finance, Insurance, and Real Estate	773	748	761	772	822	800	-2.7%	3.5%
Services & Misc.	6,090	6,235	6,560	6,858	7,089	7,161	1.0%	17.6%
Total Government	4,267	4,423	4,601	4,692	4,805	4,939	2.8%	15.8%

Source: WI DWD, Bureau of Workforce Information, Nonfarm Wage & Salary estimates.

The nonfarm wage and salary figures above estimate the number of jobs in Dodge County that pay a wage or salary. Self-employed people, family farms, and business proprietors are not included because they operate outside the standard payroll systems that generate these figures. (Despite the term “nonfarm”, an agricultural job paying a wage or salary is included in the “services & misc.” category.)

From 1994 to 1999, Dodge County employers added nearly 4,900 jobs, increasing the total number by almost 16 percent. This was well ahead of population growth of less than 12 percent and labor force growth of 4.4 percent. Over the same period, the manufacturing sector grew roughly 15 percent, accounting for two-thirds of Dodge County’s job growth. Of Wisconsin’s 72 Counties, only eight others relied on the manufacturing sector for over 35 percent of jobs. Construction and mining posted the fastest proportional growth rate over the 5-year time span and the second-fastest rate over the 1-year time span, but still accounts for just 6 percent of the county’s jobs. When times are good for manufacturing in Dodge County, there will probably be strong demand for construction workers to build and renovate homes and businesses.

The services sector posted slower 1-year growth rate than manufacturing from 1998 to 1999, but its five-year growth rate from 1994 to 1999 still outpaced manufacturing. Nationally, the shift from manufacturing to services has been more pronounced. Manufacturing growth in Dodge County has been largely attributable to durable goods. (See page 5 for a listing of the County’s largest industry groups and largest individual employers.) The cyclical nature of demand for durable goods makes Dodge County sensitive to downturns.

Dodge County's Largest Industries and Employers

Top 10 Industry Groups

Industry Group	March 2000		Numerical Change	
	Employers	Employment	1 Year	5 Years
Fabricated metal products	31	3,655	124	157
Health services	95	3,368	-5	284
Industrial machinery and equipment	41	3,367	104	834
Printing and publishing	*	*	*	*
Food and kindred products	25	2,046	140	195
Eating and drinking places	114	1,836	195	316
Educational services	15	1,508	11	124
Justice, public order, and safety	*	*	*	*
Executive, legislative, and general	38	812	9	21
Automotive dealers & service stations	62	800	-19	202

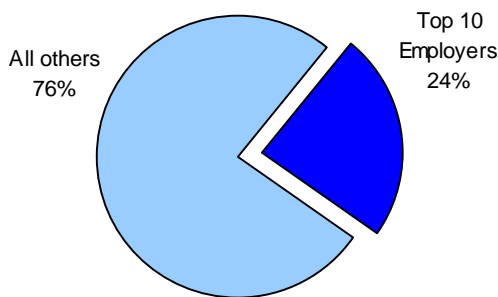
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Top 10 Private Sector Employers

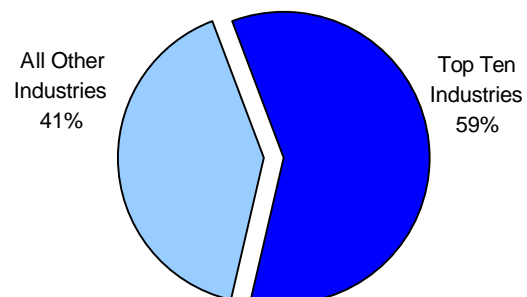
Company	Product or Service	Size
Quad/Graphics, Inc.	Commercial printing	1000+
Deere & Company	Manufacturer of home lawn & garden equipment	1000+
Mayville Engineering Company, Inc.	Metal and tool fabricator	500-999
Beaver Dam Community Hospitals, Inc.	General medical and surgical hospital	500-999
Grande Cheese Company	Cheese manufacturer	500-999
Metalcraft of Mayville, Inc.	Metal fabricator and custom manufacturer	500-999
Watertown Memorial Hospital Association, Inc.	General medical and surgical hospital	250-499
Connell Industries, Inc.	Manufacturer of custom electronic enclosures	250-499
Michels Pipeline Construction, Inc.	Water, sewer and utility construction	250-499
Tab Products Company	Manufacturer of office furniture & filing cabinets	250-499

Source: WI DWD, Bureau of Workforce Information Bureau, ES-202 file tape, 1st quarter 1999 and LMI benchmark 2000.

Top 10 private sector employers' share of nonfarm employment



Top 10 Industry Groups' Share of Nonfarm Employment



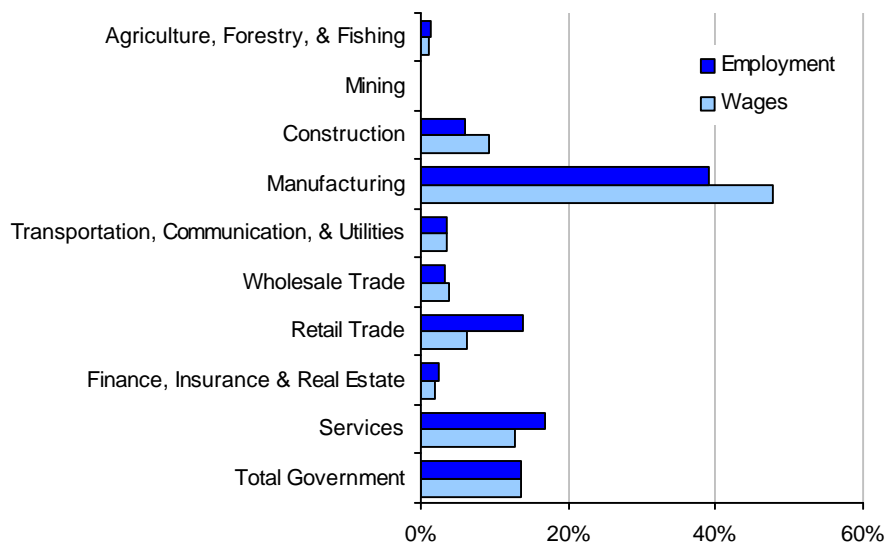
As of March 2000, 1,776 employers reported operations in Dodge County. Nearly 93 percent of them were in the private sector with 233 in construction, 189 in manufacturing, 351 in retail and 442 in services. The ten largest employers (listed in the second table above) accounted for over 8,400 or 24 percent of those private sector jobs.

The top ten industry groups accounted for 59 percent of all nonfarm wage and salary jobs in Dodge County. Several of these businesses have operations within fifteen miles of each other. The industrial machinery and equipment group, which covers several of the top ten employers listed in the second table, posted the largest numerical increase in employees from 1994 to 1999. With nearly 33 percent growth in the number of employees, this group grew proportionally faster than any other except automotive dealers and service stations, which grew almost 34 percent. The latter group averaged fewer employees per employer (under 13) than any other group in the top ten. Although the health services group did not post the strongest growth in 1999, it is less susceptible to economic cycles and more likely to maintain growth

Dodge County Employment and Wages 1999

	Annual Average Wage	State Average Wage	Percent of State Average	Percent change 1 year	Percent change 5 year	Number of Workers
All Industries	\$27,940	\$29,609	94.4%	2.5%	21.1%	34,287
Agriculture, Forestry, & Fishing	\$23,529	\$21,499	109.4%	6.1%	23.6%	452
Mining	*	\$39,968	*	*	*	*
Construction	\$42,643	\$36,772	116.0%	6.5%	29.9%	2,050
Manufacturing	\$34,054	\$37,773	90.2%	0.3%	17.5%	13,450
Transportation, Communications, & Utilities	\$27,535	\$34,523	79.8%	7.4%	14.4%	1,217
Wholesale Trade	\$32,117	\$38,048	84.4%	8.9%	55.4%	1,112
Retail Trade	\$12,594	\$15,066	83.6%	2.8%	16.2%	4,710
Finance, Insurance, & Real estate	\$23,782	\$37,911	62.7%	-1.3%	10.3%	798
Services	\$20,895	\$26,041	80.2%	3.4%	29.1%	5,790
Total Government	\$28,055	\$32,017	87.6%	2.6%	16.9%	4,659

Total Employment and Wage Distribution by Industry Division



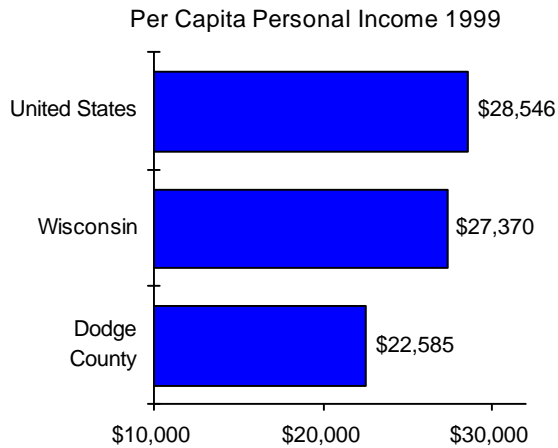
Source: WI DWD, Bureau of Workforce Information, *Employment, Wages and Taxes Due covered by Wisconsin's U.C. Law, Tables 209-211*.

Dodge County employers reported paying nearly \$960 million in 1999, averaging \$27,940 per worker. This was about 94 percent of the \$29,609 earned by the average worker statewide. The gap between Dodge County Wages and statewide wages is most pronounced in the finance, insurance and real estate industry, where people working in Dodge County earned less than two-thirds of what the average worker in the industry earned. For finance, insurance and real estate workers, high wages are often associated with the executive, technical and managerial jobs that tend to be concentrated in headquarters and major processing centers, which are not located in Dodge County.

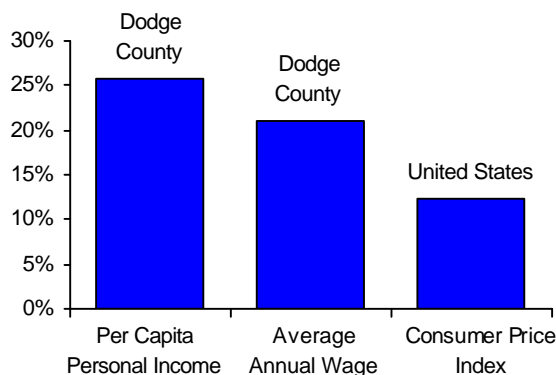
The prevalence of manufacturing in Dodge County contributed substantially to the availability of permanent, full-time jobs. Of all jobs with Dodge County employers, roughly 39 percent were in the manufacturing sector. Manufacturing employers paid nearly 48 percent of all wages paid by Dodge County employers. The differential between the average manufacturing wage (\$34,054) and the overall average wage (\$27,940) was hard to overlook. At least some of this gap could be attributed to large manufacturing employers that had collective bargaining agreements and overtime hours that added significantly to earnings.

The services sector was the second largest in Dodge County, accounting for nearly 17 percent of employment and nearly 14 percent of wages. Service wages tend to be higher in areas with clusters of technical or managerial professionals. Dane and Waukesha Counties provide such clusters for workers who are willing to commute. Retail trade was the third-largest sector in Dodge County, accounting for nearly 14 percent of employment and nearly 6.2 percent of wages. Retail wages are constrained by the prevalence of part-time or seasonal work as well as turnover and limited advancement opportunities. The annual wages above tell us nothing about how many hours each sector's employees work. The gap between hourly wages in retail and manufacturing may be smaller than it appears if manufacturing workers put in almost twice as many hours.

Dodge County Wage and Income Data



Comparison of Selected Data: 1994 - 1999



Per Capita Personal Income (PCPI) includes wages and self-employment income, investment income (dividends, interest and rent), and government transfer payments (social insurance, social security and public assistance). In 1999, Dodge County's PCPI was \$22,585. This was 25.8 percent higher than its 1994 PCPI of \$17,959. Over the same period, Wisconsin's non-metropolitan counties posted PCPI growth of 25.1 percent, from \$18,174 to \$22,732. Since 1994, Dodge County's PCPI has hovered around 82 or 83 percent of the statewide average and 98 or 99 percent of the non-metropolitan average. The Consumer Price Index, (a leading measure of inflation published by the Bureau of Labor Statistics), rose 12.4 percent between 1994 and 1999. Even after adjusting for inflation, PCPI appears to have grown significantly, but gains were distributed unevenly.

According to the payroll survey on page 6, wages paid by Dodge County employers grew 21.1 percent between 1994 and 1999. Meanwhile, PCPI analysis shows that Dodge County residents' investment incomes grew 47.6 percent. Dividends, rents and interest payments increase income inequalities because they go only to those who can afford to invest and go disproportionately to those who can afford to invest large sums. Transfer payments would mitigate the effects of income inequality, but their 22.5 percent growth rate lagged far behind investment income growth.

Per Capita Personal Income

							Percent Change	
	1994	1995	1996	1997	1998	1999	1 year	5 year
United States	\$22,581	\$23,562	\$24,651	\$25,874	\$27,321	\$28,546	4.5%	26.4%
Wisconsin	\$21,699	\$22,573	\$23,554	\$24,791	\$26,227	\$27,370	4.4%	26.1%
Dodge County	\$17,959	\$18,547	\$19,286	\$20,473	\$21,813	\$22,585	3.5%	25.8%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Selected Occupational Wage Data

	Mean	Median
Retail salesperson	\$8.40	\$7.09
Cashier	\$6.72	\$6.40
Team assembler	\$10.00	\$9.81
Stock clerk or order filler	\$8.06	\$7.35
Hand laborer, material mover	\$9.20	\$9.09
General office clerk	\$9.41	\$9.25
General or operations manager	\$24.48	\$21.40
Heavy truck/tractor-trailer driver	\$14.47	\$13.39
Registered nurses	\$18.54	\$17.99
Nursing aid, orderly or attendant	\$8.74	\$8.41
Janitor or cleaner	\$8.70	\$8.24
Gen. maintenance/repair worker	\$12.43	\$11.97
Hand packer or packager	\$9.01	\$8.69
Customer service representative	\$11.15	\$10.78
Accounting clerk/bookkeeper	\$10.37	\$10.06

Source: DWD, BWI, 1999 OES wage survey for Balance of State

See: http://www.dwd.state.wi.us/lmi/wages_oesmsa.htm

The wages for the selected occupations were reported by employers in the non-metropolitan areas of Wisconsin that responded to the Occupational Employment Statistics (OES) survey. Wages vary considerably from county to county depending on dominant industries and availability of jobs within commuting distance. Wages indicate what types of goods and service a county's workers and employers can afford.

The mean wage is the sum of all wages earned in an occupation divided by the number of wage earners in the occupation. The median wage is the midpoint of reported wages for an occupation: the same number of people is reported above this wage as below.

The occupations listed were selected because they employ the largest number of people in non-metropolitan Wisconsin. Jobs in health care and retail are plentiful. Many jobs are geared more toward workers with high school education or 2-year college degrees than people with 4-year degrees.